

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 03-0715-1160-01

ELECTIONS: UNIT AX-118  
(herein "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on November 15, 2011, which was recorded at Decd Book 758, Page 246 in the Office of the Clerk of the Circuit Court of Russell County, Virginia, on February 20, 2013, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to Unit AX-118;

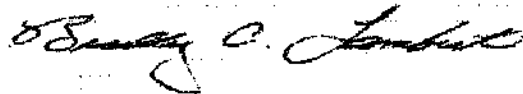
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2, above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company 38 E. Valley Drive, Bristol, VA 24201, Attn: Debbie Davis or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 12 day of June, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

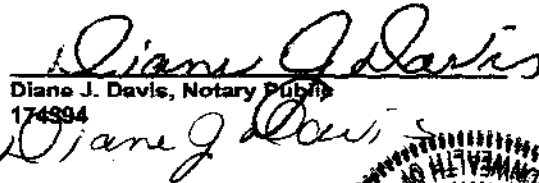
DONE AND PERFORMED this 12 day of June, 2013 by Order of the Virginia Gas and Oil Board.



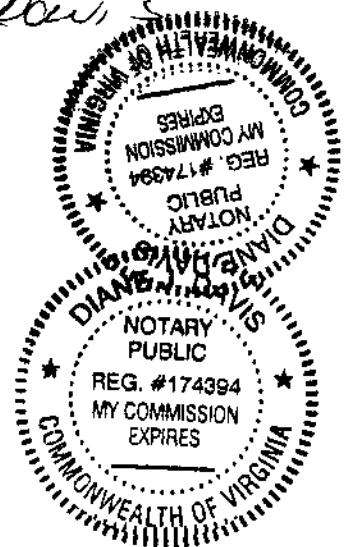
Rick Cooper  
Principal Executive to the  
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 12<sup>th</sup> day of June, 2013 personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.

  
Diane J. Davis, Notary Public  
174394

My Commission expires: September 30, 2013



VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit AX-118  
VGOB 03-0715-1160-01 in the New Garden District of Russell County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "Designated Operator") REGARDING  
ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Gas Company LLC, as a Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on November 15, 2011, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on February 20, 2013;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of November 15, 2011;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E

That after the pooling hearing held in the captioned matter, the following persons have entered into a voluntary agreement with the Designated Operator:

None

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

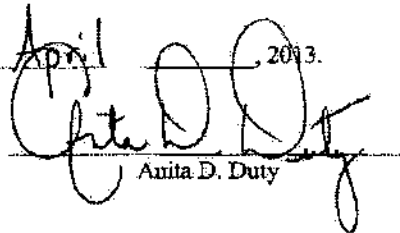
None

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

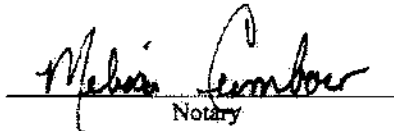
See attached Exhibit EE

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Mercer, West Virginia, this 4<sup>th</sup> day of April, 2013.

  
Anita D. Duty

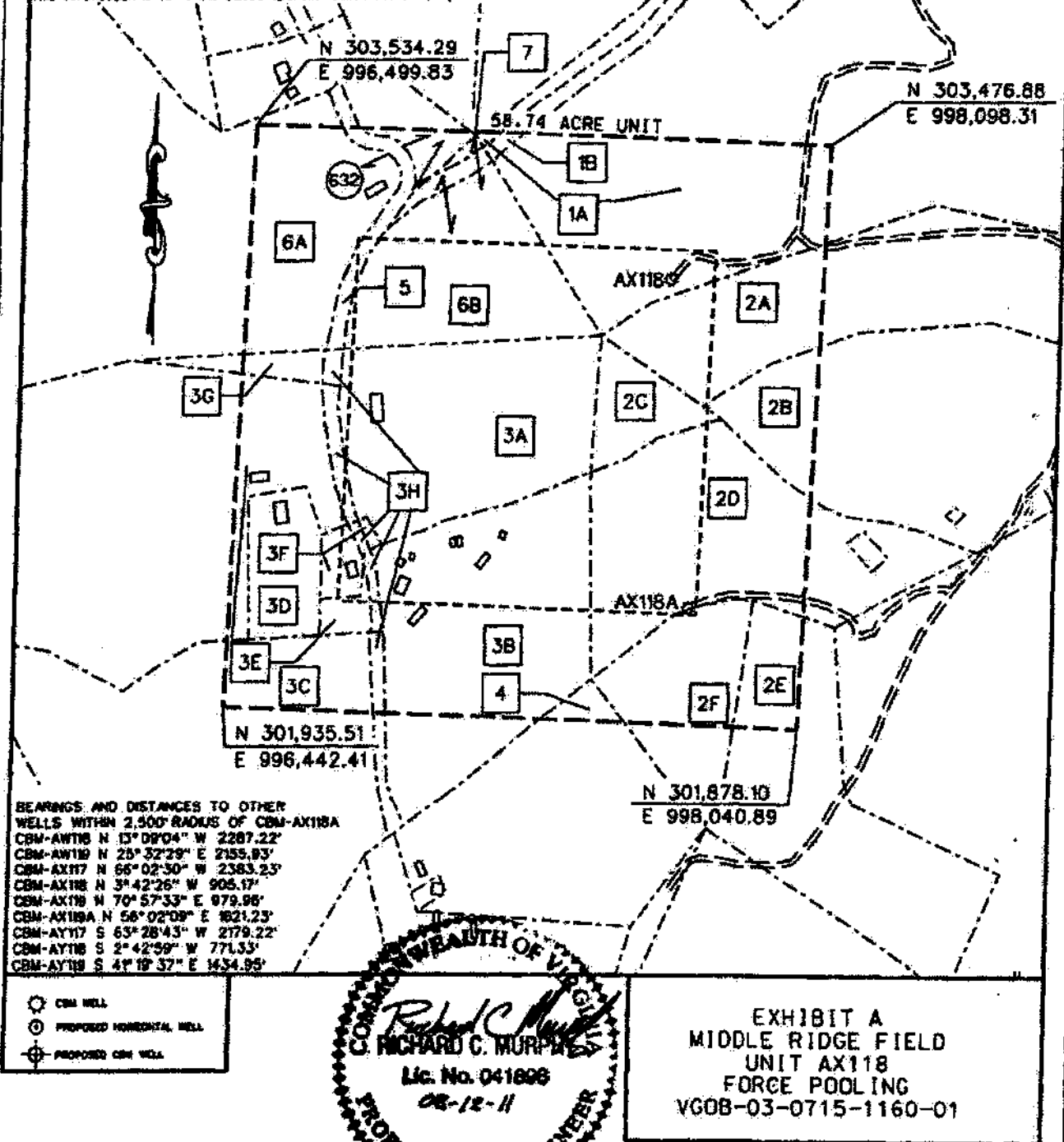
Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Gas Company LLC, on behalf of the corporate Designated Operator, this 4<sup>th</sup> day of April, 2013.

  
Notary

My commission expires: April 9, 2023



Property lines shown on this plot were provided by OMA Gas Company LLC and were taken from deed descriptions and thence of file of record. This does not represent a current boundary survey. This certification is as to the size, shape and location of the proposed unit.



Company \_\_\_\_\_ Well Name and Number UNIT AX118  
 Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_ Quadrangle HONAKER  
 County RUSSELL District NEW GARDEN Scale: 1" = 400' Date \_\_\_\_\_  
 This plot is a new plot X ; an updated plot \_\_\_\_\_ ; or a final plot \_\_\_\_\_

Form DGO-GD-7  
Rev. 9/91

*Richard C. Murphy*  
Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

**CNX GAS COMPANY LLC****Unit AX-118****Tract Identifications  
(68.74 Acre Unit)**

1. Swords Creek Land Partnership, Tr. 20 (Joshua Dye 278.77 Acre Tract) – All Minerals  
Reserve Coal Properties Company – Below Tiller Coal Leased  
Knox Creek Coal Company – Tiller and Above Coal Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
7.79 acres 13.2618%
  - 1A. Cecil Dye, et ux – Surface Owner
  - 1B. Commonwealth of Virginia – Surface Owner
2. Swords Creek Land Partnership, Tr. 19 (Peyton Compton 123.11 Acre Tract) – All Minerals  
Reserve Coal Properties Company – Below Tiller Coal Leased  
Knox Creek Coal Company – Tiller and Above Coal Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
16.65 acres 28.3453%
  - 2A. Roger Brown, et al – Surface Owner
  - 2B. Roger Brown, et al – Surface Owner
  - 2C. Danny Brown, et ux – Surface Owner
  - 2D. Clyde R. Dye – Surface Owner
  - 2E. Sylvia I. Price – Surface Owner
  - 2F. Emanuel M. Hubbard – Surface Owner
3. Swords Creek Land Partnership, Tr. 18 (James T. Hale 65.27 Acre Tract) – All Minerals  
Reserve Coal Properties Company – Below Tiller Coal Leased  
Knox Creek Coal Company – Tiller and Above Coal Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
23.10 acres 39.3258%
  - 3A. Danny Brown, et ux – Surface Owner
  - 3B. Clyde R. Dye – Surface Owner
  - 3C. Raffy Dye – Surface Owner
  - 3D. Unknown Surface Owner
  - 3E. Beulah Brown – Surface Owner
  - 3F. Unknown Surface Owner
  - 3G. Jeraldine Whited – Surface Owner
  - 3H. Commonwealth of Virginia – Surface Owner
4. Swords Creek Land Partnership, Tr. 3 (James T. Hale 17.67 Acre Tract) – All Minerals  
Reserve Coal Properties Company – Below Tiller Coal Leased  
Knox Creek Coal Company – Tiller and Above Coal Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
Emanuel M. Hubbard – Surface Owner  
0.30 acres 0.5107%
5. Swords Creek Land Partnership, Tr. 17 (M.P. Whited 72.53 Acre Tract) – Coal  
Reserve Coal Properties Company – Below Tiller Coal Leased  
Knox Creek Coal Company – Tiller and Above Coal Leased  
CNX Gas Company LLC – CBM Leased  
Commonwealth of Virginia OR Jeraldine Whited – Oil and Gas  
CNX Gas Company LLC – Oil, Gas and CBM Leased (Jeraldine Whited)  
Commonwealth of Virginia – Surface  
0.70 acres 1.1917%

(This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)

**CNX GAS COMPANY LLC****Unit AX-118****Tract Identifications  
(58.74 Acre Unit)**

- 6A. Swords Creek Land Partnership, Tr. 17 (M.P. Whited 72.53 Acre Tract) - Coal  
Reserve Coal Properties Company - Below Tiller Coal Leased  
Knox Creek Coal Company - Tiller and Above Coal Leased  
CNX Gas Company LLC - CBM Leased  
Jearldine Whited - Surface, Oil and Gas  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
4.77 acres      8.1206%
  
- 6B. Swords Creek Land Partnership, Tr. 17 (M.P. Whited 72.53 Acre Tract) - Coal  
Reserve Coal Properties Company - Below Tiller Coal Leased  
Knox Creek Coal Company - Tiller and Above Coal Leased  
CNX Gas Company LLC - CBM Leased  
Danny Brown, et ux - Surface, Oil and Gas  
CNX Gas Company LLC - Oil, Gas and CBM Leased  
5.42 acres      9.2271%
  
- 7. Steve M. Hubbard, et al (32.00 Acre Tract) - Fee  
CNX Gas Company LLC - Oil, Gas and CBM Leased (3/4)  
0.01 acres      0.0170%

(This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coalbed methane ownership and should not be relied upon for such purpose.)



Exhibit B-3  
Unit AX-118  
Docket #VGOB 03-0715-1180-01  
List of all Unleased Owners/Claimants  
(55.74 Acre Unit)

	Acres in Unit	Interest in Unit
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<u>Tract #5, 0.70 acres</u>		
(1) Commonwealth of Virginia 870 Bonham Road Bristol, VA 24201-2002	0.70 acres	1.1917%
<b><u>TOTAL UNLEASED:</u></b>		
	Acres in Unit	0.70
	Percentage of Unit	1.1917%

Exhibit E  
Unit AX-118  
Docket #VGOB 03-0715-1180-01  
List of Conflicting Owners/Claimants that require escrow  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
<u>Tract #5, 0.70 acres</u>		
<i>Escrow due to Title Conflict</i>		
<u>COAL OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.17 (M.P. Whited 72.53 Acre Tract) P.O. Box 29 Tazewell, VA 24651	0.70 acres	1.1917%
<u>OIL &amp; GAS OWNERSHIP</u>		
(1) Commonwealth of Virginia 870 Bonham Road Bristol, VA 24201-2002	0.70 acres	1.1917%
- OR -		
(1) Jearldine Whited 4881 Lynn Springs Road Swords Creek, VA 24649	0.70 acres	1.1917%
<u>Tract #6B, 5.42 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.17 (M.P. Whited 72.53 Acre Tract) P.O. Box 29 Tazewell, VA 24651	5.42 acres	9.2271%
<u>OIL &amp; GAS OWNERSHIP</u>		
(1) Danny Brown, et ux. P.O. Box 65 Swords Creek, VA 24649	5.42 acres	9.2271%
<u>TOTAL CONFLICTS:</u>		
Acres in Unit	0.12	
Percentage of Unit		10.4188%

Exhibit EE  
Unit AX-118  
Docket #VGOB 03-0715-1160-01  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
<u>Tract #6A, 4.77 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.17 (M.P. Whited 72.53 Acre Tract) P.O. Box 29 Tazewell, VA 24651	4.77 acres	8.1206%
<u>OIL &amp; GAS OWNERSHIP</u>		
(1) Jearldine Whited 4881 Lynn Springs Road Swords Creek, VA 24849	4.77 acres	8.1206%
<u>TOTAL CONFLICTS RESOLVED:</u>		
Acreage in Unit	4.77	
Percentage of Unit		8.1206%

1302307

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 10-16, 2013. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 11:36 o'clock A M, after payment of \$ — tax imposed by Sec. 58.1-802.

Original returned this date to: Sarah Gilmer

TESTE: ANN S. McREYNOLDS, CLERK  
BY: Ann S. McReynolds CLERK